

AS

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
APRIL 1 1997
DOCKET NO. 97-047-C - ORDER NO. 97-268

IN RE: Application of BellSouth Public)
Communications, Inc. for a)
Certificate of Public Convenience)
and Necessity to Provide Alternate)
Operator and Inmate Telecommunica-)
tions Services within the State of)
South Carolina.)

ORDER
APPROVING
CERTIFICATE

This matter comes before the Public Service Commission of South Carolina (the "Commission") on the Application of BellSouth Public Communications, Inc. ("BellSouth or the Company") for a Certificate of Public Convenience and Necessity. The Applicant proposes to provide services to inmates in institutional facilities, such as jails, prisons, correctional facilities, and penal facilities, as well as a variety of alternate operator services to the inmates and to the public. BellSouth's Application was filed pursuant to S. C. Code Ann. §58-9-280, and the Regulations of the Commission.

The Commission's Executive Director instructed BellSouth to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of BellSouth's Application and of the manner and time

in which to file the appropriate pleadings for participation in these proceedings. BellSouth complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. No Protests or Petitions to Intervene were received.

Robert W. Burnett, Assistant Vice President of BellSouth Telecommunications, Inc. prefiled testimony on behalf of the Company. Mr. Burnett stated that BellSouth is interested in providing Inmate and Alternate Operator Services (AOS) for confinement facilities in South Carolina, and AOS to the general public in South Carolina. These are services that BellSouth Telecommunications Corporation presently provides. Mr. Burnett explained that with regard to the inmate services, an affirmative positive response from the called party must be received by the Company before the calls are connected. According to Mr. Burnett, BellSouth has extensive technical and managerial experience with which to provide the services described in its Application as a payphone service provider. Mr. Burnett additionally stated that BellSouth is well qualified financially to provide its proposed services, and that the proposed services are in the public interest. The Commission holds that the weekly Commission agenda meeting of March 25, 1997 constitutes the hearing in this matter.

After full consideration of the applicable law, the Application, and the testimony submitted by BellSouth, the Commission hereby issues its findings of fact and conclusions

of law:

FINDINGS OF FACT

1. BellSouth Public Communications, Inc. is incorporated under the laws of the State of Georgia and is licensed to do business as a foreign corporation in the State of South Carolina by the Secretary of State.

2. The Company wishes to operate in South Carolina by providing collect-only call capability for inmate and operator services (local and intraLATA) for confinement facilities located in South Carolina, using automated Company-owned telephones, and alternate operator services to the general public through the Company's payphones on a local and intraLATA basis.

3. BellSouth has the capability and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to BellSouth to provide collect-only call capability for inmate and operator services (local and intraLATA) to confinement facilities in South Carolina, using automated Company owned telephones and alternate operator service to the general public through Company owned payphones on a local and intraLATA basis.

2. The Commission adopts a rate design for BellSouth for its operator services which includes only maximum rate levels

for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. BellSouth shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. BellSouth shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provision of S.C. Code Ann. §58-9-540 (Supp. 1996).

4. BellSouth shall file its revised tariff and an accompanying price list within thirty (30) days of the day of receipt of this Order. The revised tariff shall be consistent with the findings of this Order and shall be

consistent with the Commission's Rules and Regulations.

5. With regard to the Company's operator services, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

6. BellSouth shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

7. With regard to the provision of inmate calling services for local and intraLATA calling, BellSouth shall not charge rates any greater than the rates charged by the local exchange company at the time a call is placed. Additionally, automated collect calls shall only be completed with the affirmative acceptance by the called party. The Company shall not impose any property imposed fee on calls originating from inmate facilities.

8. For inmate calling service, call detailed information submitted to the local exchange company for billing purposes must include the COCOT access line and telephone number as assigned to the line by the local exchange company. Further, should BellSouth provide the payphone equipment in confinement facilities, the Company shall obtain certifications to provide private payphone services and should request waiver of specific guidelines as required for the provision of inmate calling services.

9. For intrastate 0+ operator assisted calling and

calling outside confinement facilities, BellSouth may not impose a fixed operator service charge greater than the intrastate charges then currently approved for AT&T. For the usage portion of the call, BellSouth can not charge more than its currently authorized intrastate Message Telecommunications Service (MTS) rates or, in the event it does not have its own MTS rates, more than the intrastate rates charged by AT&T Communications at the time the call is completed.

10. BellSouth should be allowed to incorporate in its tariff a surcharge for operator-assisted and calling card calls not to exceed \$1.00 for calls originated at pay telephones only if the property owners have not added a surcharge already. That is, the Company may not impose an additional surcharge to calls originating at pay telephones such such a surcharge has already been imposed by the property owners. If such a charge is applied, however, it should be paid in its entirety to the property owner by the Company. Further, if the surcharge is applied, the user should be notified of imposition of the surcharge. This notification should be included in the information pieces identifying the Company as the operator service provider for the pay telephones.

11. BellSouth is required to provide information pieces to customer-owned pay telephones identifying it as the provider of operator service for intrastate toll calls. BellSouth is required to brand all calls identifying itself

as the carrier. The information pieces shall be consistent with the format approved by the Commission in Order No. 93-811, issued in Docket No. 92-557-C.

12. For the provision of operator services, BellSouth shall comply with the Operator Service Provider Guidelines approved in Order No. 93-534, issued in Docket No. 93-026-C.

13. BellSouth is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

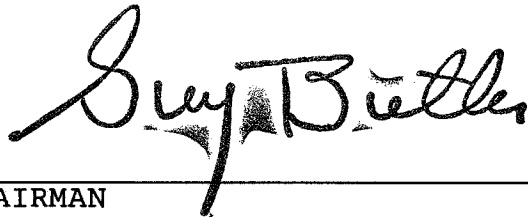
14. BellSouth shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If BellSouth changes underlying carriers, it shall notify the Commission in writing.

15. The Company shall, in compliance with Commission Regulation, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission, in writing, the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. BellSouth shall file the names, addresses, and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. (Attachment B shall be utilized for the

provision of this information to the Commission. Further, the Company shall promptly notify the Commission, in writing, if the representatives are replaced, and the Company is directed to comply with the Commission Regulations unless waived by the Commission.


16. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION.



CHAIRMAN

ATTEST:



Deputy EXECUTIVE DIRECTOR
(SEAL)

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APPENDIX A

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS
FOR INTEREXCHANGE COMPANIES AND AOS'S

COMPANY NAME

FEI NO.

ADDRESS

CITY, STATE, ZIP CODE

PHONE NUMBER

- (1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____
- (2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____
- (3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS* FOR 12
MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____
- * THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION
WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX,
CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.
- (4) PARENT'S CAPITAL STRUCTURE* AT DECEMBER 31 OR FISCAL YEAR
ENDING _____
- * THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.
- (5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____
- (6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS
WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT
(SEE #3 ABOVE).

SIGNATURE

NAME (PLEASE TYPE OF PRINT)

TITLE

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ATTACHMENT B

INFORMATION OF THE AUTHORIZED UTILITY REPRESENTATIVES
FOR INTEREXCHANGE, LOCAL AND AOS COMPANIES

PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION
REGULATION 103-612.2.4(b), each utility shall file and
maintain with the Commission the name, title, address, and
telephone number of the persons who should be contacted in
connection with Customer Relations/Complaints.

Company Name/DBA Name

Business Address

City, State, Zip Code

Authorized Utility Representative (Please Print or Type)

Telephone Number

Fax Number

E-Mail Address

This form was completed by

Signature

If you have any questions, contact the Consumer Services
Department at 803-737-5230